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DEC 23 2009

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIAUNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA

In re:) Case No. 07-28527-D-13L
) Docket Control No. FEC-6
MARIA M. ANGWIN,)
) Date: December 15, 2009
Debtor.) Time: 1:00 p.m.
) Dept: D

MEMORANDUM DECISION

This memorandum decision is not approved for publication and may not be cited except when relevant under the doctrine of law of the case or the rules of claim preclusion or issue preclusion.

Maria M. Angwin (the "debtor") has objected to a series of claims of B-Real LLC ("B-Real"), Claim Nos. 4, 7, 10, and 13, as designated on the court's claims register. (As discussed below, all four claims are for the same debt; each proof of claim merely amends the prior one.) For the reasons set forth below, the court will overrule the objection.

I. INTRODUCTION

The debtor filed her Chapter 13 petition on October 12, 2007. In her F-Schedule, the Debtor listed a debt of \$2,082.12 to Chase Credit Cards.

On January 29, 2008, B-Real filed a timely proof of claim for \$2,082.12, Claim No. 4, and on June 22, 2008, an amended proof of claim, Claim No. 7, for the same amount but with additional documents attached.

On April 17, 2009, the debtor filed an objection to Claim Nos. 4 and 7. On May 18, 2009, B-Real filed another amended

1 claim, Claim No. 10, adding more documents. On May 28, 2009, the
2 objection having been rendered moot by the May 18 proof of claim,
3 the debtor withdrew her objection to Claim Nos. 4 and 7.

4 On August 21, 2009, the debtor filed an objection to Claim
5 No. 10. On October 27, 2009, after that objection had been fully
6 briefed, B-Real filed another amended claim, Claim No. 13, for
7 the same amount but with yet more documentation attached. Claim
8 No. 13 technically rendered moot the debtor's objection to Claim
9 No. 10. In order to circumvent the additional expense and delay
10 of withdrawing one objection and filing another, the parties by
11 stipulation filed November 30, 2009, agreed that the court may
12 rule on the debtor's objection to Claim Nos. 4, 7, 10 and 13, and
13 that the ruling will be with prejudice.

14 II. ANALYSIS

15 This court has jurisdiction over the objection pursuant to
16 28 U.S.C. §§ 1334(b) and 157(b)(1).¹ The objection is a core
17 proceeding under 28 U.S.C. § 157(b)(2)(B).

18 A proof of claim is deemed allowed unless objected to,
19 § 502(a), and if executed and filed according to applicable
20 rules, constitutes prima facie evidence of its validity and
21 amount. Rule 3001(f). If the allegations in a proof of claim
22 "set forth all the necessary facts to establish a claim and are
23 not self-contradictory, they prima facie establish the claim."
24 In re Holm, 931 F.2d 620, 623 (9th Cir. 1991). A proof of claim
25 lacking documentation does not qualify for the evidentiary
26

27 1. Unless otherwise indicated, all Code, chapter, section and
28 Rule references are to the Bankruptcy Code, 11 U.S.C. §§ 101-1532,
and to the Federal Rules of Bankruptcy Procedure, Rules 1001-9037.

1 benefit of Rule 3001(f), but that by itself is not a basis to
2 disallow the claim. See In re Heath, 331 B.R. 424 (B.A.P. 9th
3 Cir. 2005) (credit card claims).

4 The objecting party may overcome the presumptive validity of
5 a proof of claim only by offering evidence of equally probative
6 value in rebutting the evidence offered by the proof of claim.
7 Ashford v. Consolidated Pioneer Mortgage (In re Consolidated
8 Pioneer Mortgage), 178 B.R. 222, 226-27 (BAP 9th Cir. 1995).
9 With such an objection, the burden shifts back to the claimant to
10 produce evidence meeting the objection and establishing the claim
11 by a preponderance of the evidence. Consolidated Pioneer, 178
12 B.R. at 226, quoting In re Allegheny Internat'l, Inc., 954 F.2d
13 167, 173-74 (3d Cir. 1992).

14 In this case, the proof of claim states the elements
15 necessary to establish a claim for money. It states the amount
16 allegedly owed, the basis for the claim (credit card), and the
17 last four digits of the account number. Amended versions of the
18 proof of claim include as attachments one-page documents entitled
19 (1) Bill of Sale, purportedly from Chase Bank USA, N.A. to B-
20 Line, LLC, and (2) Assignment of Accounts and Waiver of Notice of
21 Transfer of Claims, purportedly from B-Line, LLC to B-Real, LLC
22 (Claim No. 7), and a series of credit card statements apparently
23 from Chase Bank to the debtor as cardholder (Claim No. 10). The
24 bill of sale purportedly evidences B-Line's purchase from Chase
25 of a block of accounts, apparently 7,888 of them, having unpaid
26 balances totaling over \$56 million.

27 The copies of the bill of sale and the assignment of
28 accounts attached to Claim Nos. 7 and 10 are without foundation

1 or authentication. As against admissible evidence tending to
2 refute the presumption, these documents would be inadmissible;
3 however, they are sufficient to raise the presumption of validity
4 for B-Real's claim, pursuant to Rule 3001(f), and to shift the
5 burden of proof to the debtor.

6 To support her objection, the debtor testifies that although
7 she owed Chase Bank \$2,082.12 on account of a credit card account
8 with the same last four digits as those on B-Real's proof of
9 claim, she does not know for sure that either B-Line or B-Real
10 now owns her debt to Chase. She points out that the bill of sale
11 and assignment of accounts refer to an attached "Exhibit '1'" and
12 an attached "Schedule A," respectively, but that the exhibit and
13 schedule are not attached to the copies filed with the proofs of
14 claim. The debtor adds:

15 I have never incurred a debt to B-Line, LLC or to B-
16 Real, LLC. I have never done business directly with
17 either of these companies and owe no debt to them,
18 unless it is a debt assigned from another creditor. To
19 my recollection, I have never been notified by Chase of
20 the sale or assignment of either of these debts to
21 anyone, except Mann Bracken. Other than reading the
22 documents that B-Real has filed in the bankruptcy, I
23 have no information that these debts were ever sold or
24 assigned from either Chase or Mann Bracken to B-Line or
25 B-Real.

21 Supplemental Declaration of Maria Angwin in Support of Objection
22 of Debtor to Claims of B-Real LLC, Filed May 18, 2009, Claims
23 Number 9 and 10, \$2,082.12 and \$11,789.02 [FRBP 3007; LBR 3007-
24 1], filed October 14, 2009 ("Angwin Declaration"), p. 3.²

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27 2. The other debt to which the debtor refers is the subject
28 of B-Real's Claim Nos. 5, 8, 9, 11, and 12, which in turn are the
subject of a separate memorandum decision and order, filed
herewith. According to the debtor, Mann Bracken, LLC, is an entity
to which Chase had turned over her second debt for collection.

1 This testimony sufficiently rebuts the evidence offered by
2 the proof of claim to shift the burden back to B-Real to produce
3 evidence to prove the validity of its claim. In this regard, the
4 court notes again that the copies of the bill of sale and
5 assignment of accounts filed with Claim Nos. 7 and 10 are
6 unauthenticated and therefore inadmissible.


7 In response to the objection, B-Real filed Claim No. 13,
8 which includes an affidavit of Steven G. Kane, an operations
9 manager for B-Line, LLC. Mr. Kane testifies that in January
10 2008, Chase assigned "several credit card accounts to B-Line,"³
11 which in turn assigned them to B-Real. He adds that the Chase
12 accounts owed by the debtor, which Mr. Kane identifies by account
13 number and balance, "are part of the accounts that were assigned
14 to B-Real in January 2008." Id., ¶5. He refers to the attached
15 assignment of accounts and redacted computer file printouts as
16 pertaining to the debtor's accounts. Id.

17 The Kane affidavit sufficiently connects the dots between
18 Chase and B-Real insofar as the claims against the debtor are
19 concerned, and establishes B-Real's ownership of the claims by a
20 preponderance of the evidence.

21 III. CONCLUSION

22 For the reasons set forth above, the court will overrule the
23 debtor's objection to the claim. The court will issue an order
24 consistent with this memorandum.

25 Dated: December 23, 2009


ROBERT S. BARDWIL

United States Bankruptcy Judge

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28 3. Affidavit of Steven G. Kane, attached to Claim No. 13,
filed October 27, 2009, ¶4.

CERTIFICATE OF MAILING

I, Andrea Lovgren, in the performance of my duties as Deputy Clerk to the Honorable Robert S. Bardwil, mailed by ordinary mail a true copy of the attached document on today's date to each of the parties listed below:


Lawrence Loheit
P.O. Box 1858
Sacramento, CA 95812-1852

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Redding, CA 96003

Fredrick Clement
1300 West Street, #C
Redding, CA 96001

Linh Tran
2101 Fourth Avenue, Suite 900
Seattle, WA 98121

DATE: DEC 23 2009


Deputy Clerk